



September 30, 2013

California Energy Commission
Docket Unit, MS-4
1516 Ninth Street
Sacramento, CA 95814-5504

RE: Renewables Portfolio Standard 2008-2010 Procurement Verification Draft Staff Report (Docket No. 11-RPS-01)

Southern California Edison Company (SCE) appreciates the opportunity to comment on the California Energy Commission's (CEC's) Renewables Portfolio Standard (RPS) 2008 - 2010 Procurement Verification Draft Staff Report (Draft Staff Report). SCE commends the diligent work by CEC Staff in gathering, documenting, and verifying the RPS-eligibility of procurement claims made by the State's electric retail sellers, and notes that the Draft Staff Report correctly verifies SCE's 2008 – 2010 RPS procurement claims as eligible to count toward the RPS.

SCE requests that the CEC make one change to the Draft Staff Report. The Draft Staff Report identifies a portion of the WREGIS Certificates generated from Borel Unit 3 as having exceeded the required time period for retiring renewable energy credits (RECs).¹ The Draft Staff Report states that, on June 1, 2011, SCE retired 1,239 WREGIS Certificates with a May 1, 2008 vintage, exceeding the 36-month retirement requirement.² SCE disagrees with the Draft Staff Report's conclusion. As SCE previously explained to CEC Staff in its May 31, 2011 supplement to its 2010 CEC RPS Compliance filing, the WREGIS Certificates at issue from Borel Unit 3 are actually 2010 vintage WREGIS Certificates with an incorrect vintage date as result of a prior period adjustment and not representative of the true vintage date. In that communication, SCE stated:

¹ Public Utilities Code Section 399.21(a)(6) requires that RECs be retired for RPS compliance within 36 months from the initial date of generation.

² See Draft Staff Report at 70.

“a prior period adjustment (done in May 2010, for May 2008) caused WREGIS to re-issue 1,239 certificates labeled as 2008 for generation that occurred in 2010. Because the certificate allocation rule in 2010 is different from 2008, some certificates belonging to 2010 were allocated to 2008. SCE did not retire these certificates in 2008. These certificates, which SCE is now retiring in WREGIS, should be treated as 2010 certificates, despite being labeled as 2008.”

Additionally, in the Draft Staff Report, the 1,239 WREGIS Certificates are counted as 2010 eligible procurement, indicating that the CEC has already recognized these WREGIS Certificates as 2010 eligible procurement.³ Accordingly, SCE respectfully requests that the Draft Staff Report be revised to remove the labeling of 1,239 WREGIS Certificates retired from Borel Unit 3 in June 2011 as WREGIS claims that exceed the 36-month REC retirement limit.

Finally, as an important part of the RPS compliance process, SCE encourages the CEC to expeditiously complete this and future RPS verification reports. The verification of RPS procurement claims is an important step in meeting the State’s RPS goals as it provides, when completed, certainty to both buyers and sellers on the eligibility of RPS procurement claims. A multi-year time lag in the verification of RPS procurement claims creates unnecessary regulatory exposure in the market and limits the ability of retail sellers to adjust procurement activities in order to respond to changes in the levels of RPS-eligible procurement.

Sincerely,

/s/ Manuel Alvarez

Manuel Alvarez

³ See Draft Staff Report at A-122.